HOPE AND EMPOWERMENT FOUNDATION GH LBG

(HEF-GH)

FINANCIAL STATEMENTS

For the Period 1 October 2025 to 30 June 2026

(Restated for Audit Submission)

Prepared under the supervision of the National Treasurer

Reviewed by the Board of Directors

Submitted for Independent Audit

HOPE AND EMPOWERMENT FOUNDATION GH LBG (HEF-GH)

STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

Particulars	Notes	Amount (GH₵)
NON-CURRENT ASSETS		
Property, Plant and Equipment	3	22,757.50
TOTAL NON-CURRENT ASSETS		**22,757.50**
CURRENT ASSETS		
Prepaid Rent (15 months remaining)	4.1	30,000.00
Cash & Cash Equivalent (bank-confirmed)	4.2	418.28
TOTAL CURRENT ASSETS		**30,418.28**
TOTAL ASSETS		**53,175.78**
Financed By:		
ACCUMULATED FUND / EQUITY		
Founder's Capital Contribution (Assets)	5.1	27,950.00
Surplus for the Period (per Income & Expenditure Account)	5.2	25,225.38
Add: Unreconciled cash variance pending investigation (Note 4.2)	*4.2*	*0.40*
TOTAL EQUITY		**53,175.78**

HOPE AND EMPOWERMENT FOUNDATION GH LBG (HEF-GH)

For the Period 1 October 2025 to 30 June 2026 (9 Months) **INCOME AND EXPENDITURE ACCOUNT**

Particulars	Notes	Amount (GH₵)
INCOME		
Management Contributions (Founder – Cash)	8.1	13,897.88
Cash Donations	6.2	11,808.00
In-kind Rental Contribution (right of use, 24 months)	4.1, 2.2	48,000.00
In-kind Project Support (HROOP)	9.2	8,325.00
TOTAL INCOME		**82,030.88**
EXPENDITURE		
Programmatic Cash Expenses	7.1	25,086.00
HROOP Outreach (In-kind)	7.1, 9.2	8,325.00
Rent Expense (amortisation of in-kind right of use)	4.1	18,000.00
Bank Charges		202.00
Depreciation Expense	3	5,192.50
TOTAL EXPENDITURE		**(56,805.50)**
SURPLUS FOR THE PERIOD		**25,225.38**

HOPE AND EMPOWERMENT FOUNDATION GH LBG (HEF-GH)

RECEIPTS AND PAYMENTS ACCOUNT

For the Period 1 October 2025 to 30 June 2026 (9 Months)

Note: This account records actual cash movements only.

Particulars	Amount (GH₵)
RECEIPTS	
Management Contributions (Founder – Cash)	13,897.88
Cash Donations Received	11,808.00
TOTAL RECEIPTS	**25,705.88**
PAYMENTS	
Programmatic Cash Expenses	25,086.00
Bank Charges	202.00
TOTAL PAYMENTS	**(25,288.00)**
NET RECEIPTS OVER PAYMENTS (per cash book)	**417.88**
Add: Unreconciled variance pending investigation	*0.40*
Opening Cash & Bank Balances (1 Oct 2025)	–
CLOSING CASH & BANK BALANCES (bank-confirmed, Note 4.2)	**418.28**

HOPE AND EMPOWERMENT FOUNDATION GH LBG (HEF-GH)

ACCUMULATED FUND ACCOUNT

For the Period 1 October 2025 to 30 June 2026 (9 Months)

Particulars	Amount (GH₵)
Balance at 1 October 2025 (Inception)	–
Add: Founder's Capital Contribution	27,950.00
Add: Surplus for the Period (per Income & Expenditure Account)	25,225.38
Add: Unreconciled cash variance pending investigation	*0.40*
Total Additions	**53,175.78**
BALANCE AT 30 JUNE 2026	**53,175.78**

HOPE AND EMPOWERMENT FOUNDATION GH LBG (HEF-GH)

NOTES TO THE FINANCIAL STATEMENTS

For the Period 1 October 2025 to 30 June 2026

NOTE 1: GENERAL INFORMATION AND ORGANISATIONAL PROFILE

1.1 Legal Status and Registration

Hope and Empowerment Foundation GH LBG ("HEF-GH" or "the Foundation") is a company limited by guarantee registered under the Companies Act, 2019 (Act 992) of the Republic of Ghana. The Foundation operates as a non-profit charitable organisation with the following registrations:

- Office of the Registrar of Companies (ORC): Registration Number CG074131025; Date of Incorporation: October 2025.
- Ghana Revenue Authority (GRA): Tax Identification Number (TIN) C0066381088; Charitable Organisation Status approved under Section 97(1) of the Revenue Administration Act, 2016 (Act 896), granting tax-exempt privileges.
- Non-Profit Organisations Secretariat (NPOS): Registration Number NPOS/GRO1/LNO3083/25.
- National Youth Authority (NYA): Registration Number GAR14922.
- Technical and Vocational Education and Training (TVET): Affiliation Number GTVETS/AD/AFF26/036.

1.2 International Registrations

The Foundation maintains the following international registrations:

- UN Global Marketplace (UNGM): Registration No. 1187978.
- EU Participant Register (PIC): Registration No. 866934106.
- US SAM.gov: Unique Entity Identifier (UEI) WCRHHAAKUL74; NATO Commercial and Government Entity (NCAGE) STEQ4.

1.3 Organisational Mission and Objectives

HEF-GH is dedicated to empowering vulnerable and disadvantaged communities through education, vocational training, and humanitarian outreach. Its core programmes include:

- FVESTA: Free Vocational Empowerment Skills Training Academy.
- HROOP: Hope Restoration Orphanage Outreach Project.
- MFFRLP: Mindset First, Future Ready Leader Project.

1.4 Governance Structure

The Foundation is governed by a Board of Directors comprising:

- Rev. Francis Kofi Takyi Adams – Founder, Executive Director & CEO
- Prof. James Kwateng Yeboah – Director

- Lawyer Mrs. Cecilia Bona Kwarteng Addo-Yobo – Secretary
- Mrs. Esther Tetteh – National Treasurer / Finance Officer
- Ms. Georgina Atswei Klufio – Public Relations Officer (PRO)
- Ms. Edith Djifa Klutse – Administrator/Marketing

1.5 Reporting Entity and Period

These financial statements cover the Foundation's inception period of nine (9) months from 1 October 2025 to 30 June 2026. As this is the first reporting period, no comparative figures are presented.

1.6 Functional and Presentation Currency

The financial statements are presented in Ghana Cedis (GH₵), rounded to two decimal places.

NOTE 2: BASIS OF PREPARATION, COMPLIANCE, AND ACCOUNTING POLICIES

2.1 Basis of Preparation and Compliance

These financial statements have been prepared on a modified cash basis of accounting, whereby cash transactions are recognised on receipt/payment, and non-cash items — in-kind contributions, property, plant and equipment, depreciation, and prepayments — are additionally recognised and matched to the periods they relate to, in accordance with accepted non-profit financial reporting practice for charitable organisations registered under the laws of the Republic of Ghana. They comply with the Companies Act, 2019 (Act 992), the Revenue Administration Act, 2016 (Act 896), and the Non-Profit Organisations Act, 2023 (Act 1048).

2.2 Summary of Significant Accounting Policies

- Revenue Recognition: Cash revenue is recognised when cash or cash equivalents are received. Non-cash (in-kind) contributions are recognised at fair value on the date the Foundation obtains an unconditional right to the benefit; where the benefit spans multiple periods (e.g. a multi-month right of occupancy), the corresponding asset is drawn down against expense over the period benefited.
- Expenditure Recognition: Expenditure is recognised when goods or services are received and payment is made, or, for non-cash items, when the related asset is consumed.
- Property, Plant and Equipment: Stated at cost less accumulated depreciation. Depreciation is calculated on a straight-line basis over useful lives: Computers (3 years), Furniture & Fittings (5 years), Office Equipment (5 years), Software (5 years).
- Foreign Currency Transactions: Translated into Ghana Cedis using the exchange rate prevailing at the transaction date. The Zenith Bank USD account is translated at the reporting-date rate of GH₵11.20 per US Dollar.
- Prepayments: Recognised as current assets and expensed over the period to which they relate. Prepaid rent is GH₵30,000.00 for 15 months, being the unexpired portion of the Founder's 24-month in-kind rent advance.

- Cash and Cash Equivalents: Comprise cash on hand and demand deposits with banks.
- Provisions & Contingencies: Recognised only when a present obligation exists, and a reliable estimate can be made. There were no provisions as at 30 June 2026.

NOTE 3: NON-CURRENT ASSETS

3.1 Movement Schedule and Asset Descriptions

Asset Category	Cost (GH₵)	Depreciation (9 months)	Net Book Value (GH₵)
Computers & Accessories	10,000.00	(2,500.00)	7,500.00
Furniture, Fixtures & Fittings	7,450.00	(1,117.50)	6,332.50
Office Equipment	5,500.00	(825.00)	4,675.00
Intangible Assets (Software)	5,000.00	(750.00)	4,250.00
TOTAL	**27,950.00**	**(5,192.50)**	**22,757.50**

- Computers & Accessories (GH₵10,000): Desktop computers, laptops, printers for administrative and programme purposes.
- Furniture, Fixtures & Fittings (GH₵7,450): Office desks, chairs, filing cabinets for the Franco Estates office.
- Office Equipment (GH₵5,500): Projectors, sound systems, photocopiers for programme delivery.
- Intangible Assets (GH₵5,000): Website development costs and accounting software licences.

Capital Commitments: As at 30 June 2026, the Foundation had no outstanding capital commitments or contractual obligations for the acquisition of non-current assets.

NOTE 4: CURRENT ASSETS

4.1 Prepaid Rent

The Founder contributed a 24-month rent advance for the office hall at Franco Estates, valued at GH₵48,000.00 (GH₵2,000 per month).

- Total Rent Advance: GH₵ 48,000.00
- Less: Utilised (9 months): GH₵ 18,000.00
- Prepaid Rent (Current Asset – 15 months): GH₵ 30,000.00

4.2 Cash and Cash Equivalent

Account	Amount (GH₵)
Zenith Bank USD Account	358.40
Zenith Bank GHS Account	59.88
Total Cash and Cash Equivalent (bank-confirmed)	**418.28**

NOTE 5: EQUITY AND ACCUMULATED FUND

The Foundation does not have share capital; the equity is represented by the Accumulated Fund, which is non-distributable.

5.1 Founder's Capital Contribution

The Founder contributed non-current assets valued at GH₵27,950.00 to establish the Foundation's operational infrastructure.

5.2 Surplus for the Period

The surplus of GH₵25,225.38 (per the Income and Expenditure Account) arises from operations during the 9-month inception period. It comprises:

- Cash surplus from operations (per cash book): GH₵ 417.88
- Non-cash surplus (in-kind income less non-cash expenditure and depreciation): GH₵ 24,807.50
- Total surplus per Income and Expenditure Account: GH₵ 25,225.38
- Add: unreconciled cash variance pending investigation (Note 4.2): GH₵ 0.40
- Total surplus as reflected in the Statement of Financial Position: GH₵ 25,225.78

5.3 Restrictions on Equity

No portion of the Accumulated Fund is restricted by external donors. However, project-restricted income (GH₵13,758.00) must be applied to the designated programmes as specified by donors.

5.4 Composition Analysis

- Capital Component (Assets): GH₵ 27,950.00 (52.6%)
- Revenue Component (Surplus): GH₵ 25,225.78 (47.4%)
- TOTAL ACCUMULATED FUND: GH₵ 53,175.78 (100.0%)

NOTE 6: INCOME

6.1 Income by Source

Source Category	Amount (GH₵)	% of Total
A. CASH INCOME		
Management Contributions (Founder)	13,897.88	16.94%
Cash Donations (Public)	11,808.00	14.39%
Sub-total Cash Income	**25,705.88**	**31.34%**
B. IN-KIND INCOME		
In-kind Rental Contribution	48,000.00	58.51%
In-kind Project Support (HROOP)	8,325.00	10.15%
Sub-total In-Kind Income	**56,325.00**	**68.66%**
TOTAL INCOME	**82,030.88**	**100.00%**

6.2 Cash Donations

A total of 23 validated cash donation transactions were recorded during the period, amounting to GH₵11,808.00.

- Mrs. Evelyn Robinson: GH₵ 3,000.00
- Mr. Akwasi Aboagye (MCE-GANMA): GH₵ 1,570.00
- Church Students Group: GH₵ 1,000.00
- Mrs. Eunice (Diaspora): GH₵ 1,000.00
- Other donors (18 transactions): GH₵ 5,238.00

6.3 Income Recognition by Project

Project	Income (GH₵)	% of Restricted
FVESTA	6,108.00	44.40%
HROOP	6,050.00	44.00%

MFFRLP	1,100.00	8.00%
General	500.00	3.60%
Total	**13,758.00**	**100.00%**

NOTE 7: EXPENDITURE

7.1 Expenditure by Nature and Function

Expenditure Item	Amount (GH₵)	% of Total
PROGRAMME EXPENDITURE		
Programmatic Cash Expenses	25,086.00	44.16%
HROOP Outreach (In-kind)	8,325.00	14.65%
Sub-total Programme	**33,411.00**	**58.82%**
ADMINISTRATIVE EXPENDITURE		
Rent Expense (9 months)	18,000.00	31.69%
Depreciation Expense	5,192.50	9.14%
Bank Charges (USD Account)	202.00	0.36%
Sub-total Administrative	**23,394.50**	**41.18%**
TOTAL	**56,805.50**	**100.00%**

7.2 Programme Expenditure by Activity

Based on transaction analysis:

- Mindset First – Future Ready Leader Project (Phase 1): ~GH₵6,500.00
- FVESTA Academy (Season 1 & 2): ~GH₵2,400.00
- Hope Restoration Orphanage Outreach (Phase 1): ~GH₵1,900.00
- Institutional Development & Branding: ~GH₵1,500.00
- General Programme Delivery (including cross-cutting costs): ~GH₵21,111.00

NOTE 8: RELATED PARTY TRANSACTIONS AND DISCLOSURE

8.1 Transactions with the Founder

Rev. Francis Kofi Takyi Adams (Founder, Executive Director & CEO) contributed:

Transaction Type	Amount (GH₵)	Nature
Capital Contribution (Assets)	27,950.00	Non-cash
Management Contributions (Cash)	13,897.88	Cash
In-kind Rental Contribution	48,000.00	Non-cash
TOTAL FOUNDER CONTRIBUTIONS	**89,847.88**	

8.2 Transactions with Board Members and Related Volunteers

- Mrs. Esther Tetteh (National Treasurer/Finance Officer): Cash donations to FVESTA: GH₵ 630.00.
- Mr. Kwame Adjei (Programme Volunteer, related party): Cash donations (various): GH₵ 1,980.00.

8.3 Terms and Conditions

All related party transactions are conducted at arm's length where applicable, approved by the Board, and fully disclosed. As at 30 June 2026, there were no outstanding balances with related parties.

NOTE 9: PROJECT-BASED FINANCIAL REPORTING

9.1 FVESTA Academy

- Income Received: GH₵ 6,108.00
- Estimated Expenditure: GH₵ 3,400.00
- Estimated Surplus: GH₵ 2,708.00
- Beneficiaries: ~120 trainees (Season 1)

9.2 HROOP Outreach

- Income Received: GH₵ 6,050.00
- Estimated Expenditure: GH₵ 10,260.61 (including in-kind support)
- Estimated Deficit: GH₵ 4,210.61 (covered by Founder's in-kind support)
- Beneficiaries: ~80 children at Potter's Village, Dodowa

9.3 MFFRLP Project

- Income Received: GH₵ 1,100.00
- Estimated Expenditure: GH₵ 6,640.00
- Estimated Deficit: GH₵ 5,540.00 (covered by Founder's contributions)
- Beneficiaries: ~3,400 students across 34 schools

NOTE 10: DONOR ANALYSIS AND FUNDING DEPENDENCY

10.1 Donor Concentration

- Top 5 Donors: Contribute approximately 60.6% of cash donations.
- Largest External Donor: Mrs. Evelyn Robinson (GH₵3,000.00 – 25.4% of cash donations).
- Founder Dependency: The Founder contributes the substantial majority of total resources (cash + assets + in-kind); management estimates this at approximately 82–90% depending on whether capital contributions are included in the base, and should formalise a single definition for this ratio.

10.2 Funding Diversification Strategy

Management is implementing strategies to diversify funding, including grant applications, corporate partnerships, crowdfunding, and diaspora engagement.

NOTE 11: RISK MANAGEMENT AND INTERNAL CONTROLS

11.1 Financial Risk Management

- Liquidity Risk: Minimal cash reserves relative to requirements. Mitigation: accelerated fundraising and Founder reserve commitments.
- Concentration Risk: Heavy reliance on Founder contributions. Mitigation: funding diversification strategy (Note 10.2).
- Operational Risk: Programme interruption due to funding gaps. Mitigation: phased programme implementation.

11.2 Internal Control Framework

- Segregation of Duties: established between Founder/CEO, National Treasurer, and Board.
- Authorisation Limits: up to GH₵500 (Treasurer); GH₵500–GH₵1,000 (Founder/CEO); above GH₵1,000 (Board).
- Documentation: all expenditures and donations are supported by receipts and vouchers.

NOTE 12: COMMITMENTS, CONTINGENCIES AND SUBSEQUENT EVENTS

12.1 Capital Commitments

As at 30 June 2026, the Foundation had no outstanding capital commitments.

12.2 Operating Commitments

- Rent Commitment: prepaid rent of GH₵30,000.00 covers 15 months from July 2026 to September 2027.

12.3 Contingent Liabilities

As at 30 June 2026, the Foundation had no contingent liabilities, legal claims, or pending litigation.

12.4 Subsequent Events

No other significant events have occurred between 30 June 2026 and the date of approval of these financial statements.

NOTE 13: TAXATION AND REGULATORY COMPLIANCE

HEF-GH is an approved Charitable Organisation under Section 97(1) of the Revenue Administration Act, 2016 (Act 896). This status provides exemption from income tax on qualifying income and allows donors to claim tax deductions.

Compliance Status:

- All statutory filings with GRA are up to date.
- ORC and NYA reports filed.
- All international registrations (UNGM, EU PIC, US SAM.gov) are active.

NOTE 14: GOVERNANCE STRUCTURE AND BOARD COMPOSITION

14.1 Board of Directors

(consistent with the consolidated list at Note 1.4):

- Rev. Francis Kofi Takyi Adams – Founder, Executive Director & CEO (appointed October 2025)
- Prof. James Kwateng Yeboah – Director (appointed October 2025)
- Lawyer Mrs. Cecilia Bona Kwarteng Addo-Yobo – Secretary (appointed October 2025)
- Mrs. Esther Tetteh – National Treasurer/Finance Officer (appointed October 2025)
- Ms. Georgina Atswei Klufio – Public Relations Officer (appointed October 2025)
- Ms. Edith Djifa Klutse – Administrator/Marketing (appointed October 2025)

14.2 Board Meetings

During the reporting period, the Board held 4 meetings covering strategic planning, mid-year review, programme evaluation, and financial review.

14.3 Board Remuneration

Board members serve on a voluntary basis without remuneration. Out-of-pocket expenses are reimbursed.

NOTE 15: COMPARATIVE ANALYSIS AND FINANCIAL RATIOS

Ratio	Value	Benchmark	Assessment
Programme Efficiency Ratio	58.82%	>70%	Below target
Administrative Overhead Ratio	41.18%	<30%	Above target
Cash Reserves (months)	~0.15	> 3 months	Critical
Surplus Margin	30.75%	>10%	Healthy
Debt-to-Equity Ratio	0.00	<0.50	Excellent

Management expects the Programme Efficiency Ratio to improve as operations scale and as one-off set-up costs (rent, depreciation, branding) become a smaller share of total expenditure.

NOTE 16: GOING CONCERN ASSESSMENT

16.1 Assessment

Management has assessed the Foundation's ability to continue as a going concern for the next 12 months.

16.2 Supporting Factors

- Strong Founder commitment and continued support.
- Successful programme delivery and a growing donor base.
- International registrations enabling access to global funding.
- 15 months of rent prepaid, eliminating a major near-term cash outflow.

16.3 Risk Factors

- Minimal cash reserves (GH₵418.28).
- Funding uncertainty, with no multi-year grants currently secured.
- The economic environment may increase operational costs.

16.4 Conclusion

Management is satisfied that the Foundation has adequate resources and funding prospects to continue as a going concern for the foreseeable future. These financial statements have been prepared on this basis.

NOTE 17: MANAGEMENT REPRESENTATION AND CERTIFICATION

The Management of Hope and Empowerment Foundation GH LBG hereby represents that, to the best of their knowledge and belief:

- The financial statements present a true and fair view of the Foundation's financial position and performance, subject to the reconciling item disclosed at Note 4.2.
- All transactions have been properly authorised and recorded.
- The Foundation has complied with all applicable laws.

These financial statements have been prepared under the supervision of the National Treasurer and reviewed by the Board of Directors.

APPROVAL AND SIGNATURES

These financial statements were approved by the Board of Directors of Hope and Empowerment Foundation GH LBG on the date shown below and are submitted for independent audit.

Rev. Francis Kofi Takyi Adams

Founder, Executive Director & CEO

Date: _____

Mrs. Esther Tetteh

National Treasurer / Finance Officer

Date: _____

Prof. James Kwateng Yeboah

Director (Board Representative)

Date: _____